

INITIAL STATEMENT OF REASONS
Title 13, Division 1, Chapter 1
Article 3.1. Special Interest License Plates

The Department of Motor Vehicles (department) proposes to amend Section 181.00 in Article 3.1, Chapter 1, Division 1, Title 13 of the California Code of Regulations, relating to Foreign Organization License Plates.

Vehicle Code section 5006.5 authorizes the department to issue Foreign Organization Special License Plates to vehicles owned or leased by an officer or a designated employee of a foreign organization recognized by the United States pursuant to the Taiwan Relations Act. The department is also authorized to charge a fee for the license plates in an amount sufficient to reimburse the department for costs incurred to implement this section. Revenue and Taxation Code section 10781 exempts foreign organizations from paying licensing fees.

When Section 181.00 was adopted in 1997, the department promulgated language allowing Foreign Organization Special License Plate holders to be exempt from paying registration fees. The term “registration fees” is a common departmental term used to describe numerous types of vehicle registration transactions. After a department review, it has been determined that the authority granted to the department to waive fees, however, does not extend to all registration fees, in fact, the waiver only applies to vehicle licensing fees.

The proposed amendments to Section 181.00 will correct language granting registration fee exemptions and, instead, provide vehicle license fee exemptions as intended in Revenue and Taxation Code section 10781.

§ 181.00. Foreign Organization License Plates.

Subsections (a), (b), (c), (d) and (e) are amended to repeal the term ‘registration fees’ and replace with ‘vehicle license fees’ as required by Revenue and Taxation Code section 10781. The department does not have the authority to exempt Foreign Organization License Plate holders from registration fees. The amended language will allow plate holders to be exempt from vehicle licensing fees, as intended by the Revenue and Taxation Code.